

February 15, 2005

Michael K. Powell, Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Re: Level 3 Communications Petition for Forbearance, WC Docket 03-266

Dear Chairman Powell:

The Alliance for Public Technology (“APT”),<sup>1</sup> the Communications Workers of America (“CWA”),<sup>2</sup> and the National Grange<sup>3</sup> have long supported the universal deployment of advanced telecommunications technologies. Indeed, these technologies will be essential to quality of life and democratic participation in our nation in the 21<sup>st</sup> century. IP-based voice services, such as those provided by Level 3 Communications, can only hint at the exciting range of new products that will be made possible by advanced communications technologies. At the same time, you and other members of the Commission have repeatedly acknowledged that IP-based services present fundamental challenges to our current regulatory framework. Our organizations commend the Commission’s efforts to rationalize its regulations under its existing statutory authority, in light of the impact of rapidly evolving new technologies.

As part of such efforts, last week the Commission issued a Further Notice of Proposed Rulemaking in its intercarrier compensation proceeding. The issues raised by Level 3’s Petition for Forbearance -- whether access charges should apply to IP services that interconnect with the public switched network -- are but a subset of the many difficult, interrelated questions that consumers, the industry and the FCC must confront in this proceeding.

As the FCC is well aware, access charges currently provide a substantial portion of the revenues of many local carriers, especially those serving rural communities.<sup>4</sup> If long-distance carriers are exempted from paying access charges for the use of local

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<sup>1</sup> APT is a nonprofit membership organization based in Washington, D.C., which was founded in 1989 to foster public policies that ensure access to advanced telecommunications technologies for all Americans.

<sup>2</sup> CWA is a labor organization representing approximately 700,000 workers employed in telecommunications, publishing, manufacturing, health care, state and local government, and other public and private organizations. CWA members work in all segments of the telecommunications industry, including local and long-distance telephony, cable, wireless and Internet access. CWA members are also consumers of telecommunications services.

<sup>3</sup> The National Grange of the Order of Patrons of Husbandry is the oldest general farm and rural public interest organization in the United States. Founded in 1867, today Grange members are affiliated with 3000 local, county and state Grange chapters across the country. More than 70% of all local Grange chapters are located in communities of 5000 persons or less.

<sup>4</sup> Although Level 3’s Petition would exempt certain carriers that serve rural areas, the record in this docket reflects that many of the groups that represent rural carriers’ interests are vehemently opposed to the Petition.

networks simply because they utilize IP-based technologies instead of circuit switched networks, then local carriers might not have sufficient revenues to support their local facilities.<sup>5</sup> This would cause services to the communities served by those carriers to deteriorate, and would delay investments in advanced technologies.

The challenges to the current intercarrier compensation regime should not be resolved in piecemeal fashion. Thus, our organizations respectfully urge the Commission to deny the Level 3 Petition, so that issues associated with access charges for IP services can more appropriately be addressed within the broader context of the FCC's intercarrier compensation rulemaking. Thank you for your consideration of our views.

Sincerely,

/s/

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/s/

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/s/

Leroy Watson  
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CC: Commissioner Abernathy  
Commissioner Copps  
Commissioner Martin  
Commissioner Adelstein  
Christopher Libertelli  
Matthew Brill  
Jessica Rosenworcel  
Dan Gonzalez  
Scott Bergmann  
Jeffrey Carlisle  
Tamara Preiss

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<sup>5</sup> Indeed, granting Level 3's Petition many months in advance of resolving the broader intercarrier issues would exacerbate the regulatory disparities that result from purely technological distinctions under the current structure, which would be likely to accelerate the shift of traffic to IP-based technologies.